









In Moscow Faint Signs Of Dissent

By Flora Lewis... The atmosphere of the first night from the... The atmosphere of the first night from the... The atmosphere of the first night from the...

Italy Issues Warrants For Arrest Of 20 Arabs

By Loren Jenkins... ITALY — Judicial officials in Genoa have issued warrants for the arrest of 20 persons who they allege belong to an extensive and previously unknown terrorist group...

Givenchy's Collection Pours On the Snakeskin

By Hebe Dorsey... PARIS — Hubert de Givenchy is a lucky man. Few designers enjoy the popularity he has developed among American socialites. For many of them, a Givenchy dress is the ultimate in chic.

...pensive touches were all the fur collars and cuffs and the whole broadtail dinner suits. The silhouette has not changed in years nor is it likely to. The suits had neat, short jackets, slightly fitted in front. Broad-shouldered coats often featured buck plaits, as in a painter's smock.



Givenchy: Staid but dedicated to American socialites. party for Hanae Mori, who had been a most generous hostess in Tokyo. On hand was the new state secretary in the Culture Ministry, Philippe de Villiers, who promised to do more for French fashion than the Socialists. The same day, Emanuel Ungaro took over Castel for another evening of fashion fun.

Malaysian Leader Expects to Win, But Slim Margin Could Undo Him

By Susan Robinson... KUALA LUMPUR, Malaysia — Few people doubt that Prime Minister Mahathir bin Mohamad's multiracial coalition will win the general election this weekend, but economic and political problems could trim his parliamentary majority in a way that would be devastating to Mr. Mahathir's political future.

...lapse of the Kuala Lumpur and Singapore stock exchanges. The persistent economic downturn, exacerbated by a 30-percent slump in prices for palm oil, rubber and tin and a 50-percent plunge in oil export earnings, has cast doubt on government fiscal policies. Malaysians, accustomed to an economy that has grown an average of 6 percent annually in the past decade, are feeling pinched.

...militant leader in Mr. Mahathir's northern home state of Kedah. Villagers who supported the militant leader, Ibrahim Mahmood, attacked the police. A battle ensued in which 15 persons were killed, four of them policemen, and 154 were arrested.



GRANDMOTHER CONDEMNED — Tan Mer, a 68-year-old grandmother, leaving a court in Kuala Lumpur after she was sentenced to death for morphine trafficking. She is the second oldest woman in Malaysia to receive the death sentence. A 69-year-old was sentenced on July 7.

U.S. and Nicaragua Trade Charges At UN in Debate on Court Decision

By Elaine Sciolino... UNITED NATIONS, New York — Delegates from the United States and Nicaragua have continued to square off against each other in the Security Council as diplomats worked on the text of a resolution involving the two countries.

...lectured on respect for law by a country where two million people have fled to escape "scientific terrorism." He also said he found it "interesting" that only one of the countries that criticized the United States in the Security Council for not accepting the judgment of the World Court recognizes its compulsory jurisdiction. An aide to Mr. Walters later identified that country as India.

...the recent decision of the World Court on the situation in Central America. The United States is expected to veto any resolution that Nicaragua puts forward, according to Western diplomats. One American diplomat said, "If they were thinking of introducing something that we could live with, they wouldn't have come here at all."

Jenco Gives Message to Anglican

By Susan Robinson... LONDON — The Reverend Lawrence M. Jenco fulfilled the second part of a mission from his Muslim captors Thursday by giving a confidential message to the Archbishop of Canterbury.

...Urging the nation's nearly seven million voters to reject extremism, fanaticism and racism, the coalition has killed itself "the people's champion." It labeled an opposition front led by the fundamentalist Pan-Malayan Islamic Party, called PAS, as "the unholy union."

Ex-Official Is Asked Not to Campaign Too Loudly

By Axel Krause... PARIS — As part of its strategy to win the 1992 Summer Olympic Games, the Paris organizing committee has deliberately muffled what many people consider one of its greatest strengths.



Monique Berlioux

...manuscript before the book is published. Despite this, Olympic circles keep hearing rumors that parts will appear in a magazine series in England and West Germany just before the October meetings in Lausanne, Switzerland. Both she and Mr. Wyatt have denied the rumors.

...known and worked for: Avery Brundage of the United States, who served from 1952 to 1972, Lord Killinan of Ireland, who served from 1972 to 1980, and Juan Antonio Samaranch of Spain, the incumbent and the man responsible for her resignation.

Moscow Forms a Human Rights Unit, Sees No Growth in Jewish Emigration

By Susan Robinson... MOSCOW — Soviet officials announced Thursday the creation of a commission on human rights and humanitarian questions. But they said Moscow had no plans to raise the level of Jewish emigration, a human rights issue that is often raised.

...gally maintaining the high emigration levels of the 1970s. "We recognize that a certain number of Jewish and other families were divided for historic reasons such as World War II," he said. "There were periods of intensive reintegration."

...But Mr. Gremitskiikh used the question to attack the Russian-language services of the British Broadcasting Corp. and the U.S.-financed station Radio Liberty, saying they carried tendentious material about Soviet internal affairs.

Jordanian Suspect Charged in Blast At Berlin Society

By Susan Robinson... BERLIN — A Jordanian suspected of complicity in the bombing in April of a discotheque frequented by U.S. soldiers was charged Thursday in another bombing.

DOONESBURY



PARIS: Campaign for Summer Olympics Is Heating Up: 'We Do Want the Games'

(Continued from Page 1) ...tising, most of it offered by companies free of charge. "We plan to continue the campaign through the fall. Because, in fact, we do want the Games."

...reminder that Paris won the competition for the park in Barcelona. "It's not directly related to the Olympics," Mr. Danet said, "but it's an important ingredient of our arguments that we are capable of organizing things on a large scale."

...can win, he said, and "so we plan to go to the end," meaning the final vote in Lausanne. He added that Mr. Chirac, whom he has known for many years and who belongs to the same political party, had never asked him to withdraw.

...Many of the precautions are outlined in a 144-page brochure for IOC members, which notes that the French police were asked by the Mexican authorities to help arrange security for this year's World Cup soccer tournament. The tournament went off smoothly.



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in the squares of Venice  
roni, the city's mayor, has  
a St. Mark's Square and  
walk around in swimwear.  
The number of Roman Catholic  
priests worldwide declined for a  
third successive year in 1984, the  
Vatican provided a disproportionately  
high 39 percent of all new  
priests in Europe that year, the  
Vatican says. Vatican officials  
said this was at least partly due to  
the appeal of the Polish-born  
pope, John Paul II. Membership  
in the Roman Catholic Church  
reached an all-time high of  
1.5 billion in 1984, a 4.2 percent  
increase from 1983 and up 25 per-  
cent from 1975.

HAMBURG — Hamburgers  
do not belong in Hamburg, ac-  
cording to a group calling itself  
Parents for High-Quality White  
Bread and Food. Its members have  
written a petition to the local au-  
thorities to bar the construction  
of a McDonald's drive-in restau-  
rant. The group says that the  
company's fast-food sandwiches  
and soft drinks are "wretched"  
and that "diseased civilizations"  
should turn their children into  
vegetables.

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Which is to do right by everybody in  
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Meaning (among others) our 19,000

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TRAVEL



Holy Week in Trapani



Return from festivities of St Anthony at Cappizzi, near Messina.

The Slow Rhythms Of Sicilian Life Change Little

by Sari Gilbert

PALERMO, Sicily — To many people, the idea of Sicily conjures up visions of black-clad elderly women, barefoot children and stern-looking Mafia dons living in an underdeveloped, agricultural society. To a degree, these stereotypes still exist, particularly in Sicily's more mountainous interior. At dusk in many a Sicilian village, men in vests and wool caps still gather in the town square to exchange gossip, looking askance at any woman daring to enter that male preserve. Contadini, or small farmers, and pensioners play cards and sip zibibbo, sweet wine, at the cafe.

mosaics, Norman castles and Spanish baroque churches. A way-station before the 10th century BC for Aegeans and Phoenicians, Sicily was under Greek rule for almost six centuries before falling to Rome. Later there were invasions by barbarian tribes and a short-lived conquest by Byzantium. In 827, invasion by the Saracens brought the island under Arab rule and Sicilian influence in trade and culture soared.

Kindness, natural beauty and abundant artistic patrimony

barossa, power rivalries brought an abrupt end to Swabian rule. And after the revolt against the French in 1282, the Sicilians invited Peter of Aragon to be king, opening the way to four centuries of Spanish and Bourbon rule. If visitors to Sicily arrive by car from the Italian peninsula, an easy place to begin a tour would be Messina, where the ferry from Calabria docks. Messina has been destroyed several times by earthquakes and bombings and there is little other than the reconstructed cathedral, or duomo, and the 12th century church of the Catalani to remind us that it was once a stronghold of the Plantagenets and an important way station for Richard the Lionheart and his crusaders.

bourgainvillea vines climbing medieval stone buildings. The third century Greek theater is extremely well-preserved, its acoustics so good that the theater is used regularly during the Taormina summer drama festivals. The caves, the theater's graduated rows of seats, was carved from the hillside and surmounted by a portico of marble columns. The view of the sea is breathtaking.

A modern highway connects Taormina to Catania, eastern Sicily's capital, but the old road meanders along the coast through charming fishing villages such as Acitrezza, where legend says the dramatic offshore rock formations are the stones hunted about by the cyclops, Polyphemus, after Ulysses blinded his single eye with a burning stake.

Siracusa, 36 miles further down the coast, has some of Sicily's major archeological monuments. Founded in 732 BC by settlers from Corinth, Siracusa soon became one of the greatest cities of Magna Graecia. Its Greek theater, set in a wooded bowl, is one of the best preserved in the world, and Greek drama festivals are held in even-numbered years. Siracusa also has a medieval quarter where faded, balconied houses are surrounded by the baroque Piazza del Duomo. The archeological museum has an impressive collection from Sicily's Greek past.

HEADING inland towards the medieval hilltop town of Enna, the road after Caltagirone leads to Piazza Armerina where a vast imperial villa, considered Sicily's major Roman archeological find, was excavated between 1928 and 1957. The villa's mosaic floors, depicting hunting and fishing scenes, legends, ancient decorative motifs, as well as what is believed to have been the first bikini (see the Room of the Ten Maidens) has been artfully protected.

Villa Athena Hotel is a particularly good vantage point to view the line of temples, from the wonderfully preserved Temple of Concord, to the lesser remains of the temples of Juno, Hercules, Olympian, Jove and Castor and Pollux. The archeological museum has reassembled one of the 38 telamoni, or stone giants, that originally supported the Temple of Jove's roof. Selinunte, at Sicily's southwestern corner, is another archeological site. Founded in 682 BC, its history was tumultuous and brief. Prosperous and powerful, it was destroyed twice by Carthage. The ruins include the remains of eight large temples.

Back on the coast is Agrigento, ancient Akragas, with Doric temples, dating to the 5th and 6th centuries BC. The terrace of the

ruins of Segesta, possibly founded as long ago as the 12th century BC by a Greek-Trojan people called the Elymians. Segesta is home to an unfinished Doric temple. And just outside Palermo is the small, hilltop suburb of Monreale, a town that gradually grew up around the cathedral built by King William of Normandy in the 12th century. This basilica's interior is covered with gilded Byzantine mosaics depicting the life of Christ. Overlooking all from the apse is a huge mosaic depicting a Christ in benediction. Bordered on one side by the blue Mediterranean and on the other by a range of austere, dusty-brown mountain peaks, Palermo, Sicily's capital, nestles on the edge of a fertile plain called the Conca d'Oro (the golden shell) for its now-vanishing orange groves. Founded by the Phoenicians in the eighth century BC, its monuments and old town buildings bear the imprint of successive invaders. Today the old town center is a hodge-podge of narrow streets and broad squares, bustling Arab-style food and fish

markets, Byzantine domes and Gothic cathedrals, Spanish baroque churches and decaying 17th century palaces. The palatine chapel at the Norman palace (today the seat of the Sicilian legislature) and the Martorana church in central Piazza Bellini have beautiful Byzantine mosaics. The Quattro Canti intersection is a lovely example of Spanish baroque design. At night, artfully placed spotlights illuminate the 16th century Florentine marble nudes decorating the Piazza Della Pretoria, the city hall square that the Palermitani call "the square of shame." San Giovanni Degli Eremiti is a 12th century domed Arab-Norman church. The cathedral off Via Maqueda is of the Gothic-Catalan style. The abandoned Zisa Castle was an Arab-style pleasure palace built by the Normans. And the 8,000 mummies lining the walls of the Capuchin Convent's catacombs are an eerie reminder of those who came before.

Sari Gilbert is a Rome-based journalist.

London Coffee: A Pale Potion

by Bob Hagerly

LONDON — When a man is tired of London, all he probably needs is a good cup of coffee. Yet a nation of tea drinkers can hardly be expected to have a good cafe on every corner, and what passes for coffee here usually is so weak that, as Tom Waits put it, it can't even defend itself. "Disgraceful" is the politest word that Tom Camargo, a Brazilian journalist based in London, can find for it. "The problem," Camargo explains, "is that the English don't complain about anything." The problem has not been noticeably alleviated by the trend of recent years to convert floundering pubs into bogus Continental-style cafes, designed to draw the young and trendy. Though some of these places appear promising at first glance, my trembling hopes have been repaid several times with what seemed to be a weak mixture of water, powdered milk and sawdust.



wooden booths that have made this homey cafe beloved among journalists and even the occasional Cabinet minister. So it must be the no-nonsense food and the best cappuccino I have found in London. Cafe St. Pierre, corner of Clerkenwell Green and Farringdon Lane, EC1, near the Smithfield meat markets and the Barbican Centre. The red floorboards are shagreened; the service is earnest; the coffee is fresh and potent. Silvio's, 10B Cathedral Place, St. Pauls, EC4, near St. Paul's Cathedral. Okay, so it comes in paper cups at this take-away sandwich shop. At least the Mocha Italia cappuccino and espresso here have an honest coffee taste. That is much more than can be said for most other places in the City, an area where

finance and tourism collide and where good coffee is particularly hard to find. It was not always so: Lloyd's of London, the insurance exchange, started out as a City coffeehouse 300 years ago. Bar Italia, 22 Frith St., W1, in the heart of Soho. This little resting place, with its ceiling fans, big-screen TV and video games, is just seedy enough to be entertaining, and the coffee is excellent. Behind the bar is a life-size poster of the late boxer Rocky Marciano, who was a friend of the Polledri family, owners of the business since the 1940s. West Side Espresso, on the ground floor of Harrods department store, Knightsbridge, SW1. You can depend on the coffee, but you may have to wait for a seat. The same applies for two other rest stops on the store's ground floor, the New England Ice Cream Parlour and the Cafe Espresso. Chelsea Kitchen, 98 King's Road, SW3, near Sloane Square. Both the coffee and the hearty food are reliable. Espresso Bar Italiano, Cranbourn Street, WC2, near Leicester Square. The shabbiness of the decor only enhances the flavor of the coffee. While sipping it, you can lean on a counter of mottled lime green and survey the throngs converging on the neighboring restaurants, theaters and sex shops. A few doors away on Cranbourn Street is another cafe with potential, the Fiori Espresso. "You don't like our coffee?" asked the manager of the Fiori as I walked away from three-quarters of a cup of cappuccino. "No," I agreed. "Too strong?" he asked, perhaps with just a trace of contempt. "Too weak," I said, and then shook my head sadly at his blameless Gaggia coffee machine. "I know you can do better." For my next visit, I am promised a free cup.

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Statistics Index

Table listing various statistics such as ANEX prices, Auto sales, and Bond yields.

FRIDAY, AUGUST 1, 1986

TECHNOLOGY

'Clone' Makers May Doom IBM's Personal Computer

By PETER H. LEWIS New York Times Service

NEW YORK — Dozens of companies are now making copies of IBM's PC, XT and AT computers...

The computer increasingly is being viewed as a mere commodity.

SOME EARLY IBM compatibles have gained respectability. Compaq and Tandy, for example, have transcended the clone image...

Paris Bill On Firms Advances

Limit Raised on Foreign Stakes

Paris — The French government accepted Thursday a parliamentary amendment raising the ceiling for foreign shares in privatized businesses to 20 percent from 15 percent.

The privatization bill spells out the way in which 65 state-owned companies and banks are to be sold to the private sector over the next five years.

Originally, the government would have been obliged to block overall foreign interest in privatized companies from rising above 15 percent by using its veto power indefinitely.

U.S. Farmers Push Wheat Exports

Third World May Help Cut Present Glut

By Stuart Auerbach Washington Post Service

KANSAS CITY — A.K.M. Kamaluddin Choudhury munched peanuts and cheered for the Royals when he attended his first baseball game earlier this month.

His visit to the United States was part of an effort by U.S. Wheat Associates, the international marketing arm of the wheat industry, to sell more American grain overseas.

Exports are vital to American farmers. As recently as 1980, about two bushels out of every three bushels of wheat American farmers produced went overseas.

The European Community Commission had argued that a specific reference to the prevention of foreign takeovers contravened EC principles.

As amended, use of the veto will be limited to five years for defense and other strategic concerns.



New production techniques and an increased emphasis on promoting agricultural self-sufficiency have converted 30 nations from food buyers to food sellers within a matter of years.

The global glut of grain contradicts the theory of Thomas Malthus, the 19th-century political economist, that the world population would outrun the available food supply.

In 1984, Western Europe produced more wheat than the United States for the first time since the opening of the American West more than 100 years ago.

All this means lower prices and fewer sales for America's farmers, who are getting increasingly restive as they see their neighbors losing their farms and see elevators full of last year's unsold grain as they harvest a new crop.

"We're kind of getting the shaft," said Cecil Vining, as he worked with a tractor to build terraces on rich black soil in Richmond, Kansas.

OPEC Chief Says Progress Made On Output Cuts

By Nesha Starcevic The Associated Press

GENEVA — OPEC's president said Thursday that all but two of the cartel's 13 members have pledged voluntary cuts in oil output, and that the group has set up a new committee to reach a binding agreement on lower production quotas.

The cuts are aimed at boosting sagging oil prices, which have fallen as low as \$8 per 42-gallon barrel, down from \$32 a barrel last December.

OPEC's president, Rinwale Lukman, Nigeria's oil minister, said the voluntary cuts totaled 1.925 million barrels a day.

He also cited low-cost World Bank loans to improve farming in South American nations such as Argentina and Brazil as a cause of the American farmers' export woes.

The competition is not going to go away," said Timothy M. O'Neil, the head of the U.S. Wheat Office in Singapore, who accompanied the Bangladesh delegation.

a day for 1986. Algeria, along with Iran, Libya and Gabon, has sought even bigger cuts in hopes of pushing oil prices up faster.

During a break in Thursday's session, Sheikh Ahmed Zaki Yamani, the Saudi oil minister, was asked if progress was being made. He told reporters that it "looks so." "We are now moving in two directions," he said, but did not elaborate.

He apparently was referring to the plan for voluntary production cuts and Algeria's separate proposal for re-establishing an official price structure and binding quotas.

A high-ranking OPEC source said Saudi Arabia, OPEC's largest producer, had pledged under the voluntary plan to reduce its production by 800,000 barrels a day, to 4.6 million barrels a day.

The Saudi pledge assumes a current production level of 5.4 million barrels a day.

Factory Orders In U.S. Declined By 0.3% In June

WASHINGTON — New orders for manufactured goods declined 0.3 percent in June following a revised 0.5 percent drop in May.

Taiwan Trade With U.S. Is Seen at Turning Point

By Patrick L. Smith International Herald Tribune

TAIPEI — Taiwan is braced for a five-day round of trade negotiations in Washington next week that is expected to mark a turning point in its relations with the United States, its largest trading partner.

The Reagan administration, facing mounting protectionist sentiment in Congress, is committed to immediate retaliation against Taiwan, according to American trade sources here, unless the island takes to reduce the trade imbalance.

The talks coincide with increasing concern in the United States over rising deficits with its principal East Asian trading partners.

Mr. Reagan also faces a crucial challenge in Congress next Wednesday, when the house is to vote on whether to override a presidential veto of a bill that would severely restrict textile imports from Taiwan and other Asian nations.

Last year Taiwan's bilateral surplus, the third-largest after Japan's and Canada's, reached \$13 billion, according to U.S. figures. It is expected to reach \$14 billion this year.

"We think the message is finally getting through," a U.S. source here said. "It is and simple, we need immediate results."

But American analysts question whether the Taipei government will act quickly enough to avert the imposition of punitive restrictions on its exports to the United States.

This week Mr. Reagan invoked his power to retaliate under section 301 of the 1984 Trade and Tariff Act in response to Taiwan's failure to dismantle a customs-evaluation system that is considered a restraint on trade under the Geneva-based General Agreement on Tariffs and Trade.

The move followed a year of confidential negotiations during which Taiwan had agreed to drop the system, according to American sources.

Mr. Reagan is expected to take similar action next week unless a final agreement is reached on the import of American beer, wine and tobacco products into Taiwan.

At present, these products are made and sold in Taiwan by a monopoly bureau operated as an organ of the provincial government.

Washington has indicated that it may target imports of Taiwanese footwear if the alcohol and tobacco issue is not settled, according to Taipei trade officials.

A \$1.4 billion annual trade surplus in footwear sales in the United States is roughly equivalent to the market share sought in Taiwan by U.S. producers of beer, wine and cigarettes.

The Washington talks, an annual event, start Aug. 4 and will cover a wide range of issues on which the United States seeks action.

Washington is asking Taiwan to drop mandatory export quotas imposed on a Toyota car plant that the government authorized this year.

It may seek voluntary restraints on exports of Taiwan-made machine tools if they are determined to be a threat to U.S. national security.

It also wants to begin talks on voluntary restraints of Taiwan's steel exports.

Currency Rates

Table with columns for various currencies and their rates against the U.S. dollar.

Interest Rates

Table showing interest rates for Eurocurrency deposits and key money rates.

Gold

Table showing gold prices in various locations.

To Our Readers

Some statistical and other data are missing from this edition because of computer problems. We regret the inconvenience to readers.

Advertisement for ASSET MANAGEMENT IN SWITZERLAND. Includes photo of a man in a suit and text about American Express family of companies.

Thursdays AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High Low, Stock, Div. Yld. PE, etc. Lists various stocks and their performance metrics.

Table with columns: 12 Month High Low, Stock, Div. Yld. PE, etc. Lists various stocks and their performance metrics.

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ANNOUNCING A NEW GLOBAL INVESTMENT PARTNERSHIP. One name, two traditions of solid performance. Introducing a new level of fund management and investment advisory expertise...

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 31 July 1986. Advertisement for various international investment funds with detailed listings and descriptions.

Vertical advertisements on the right edge of the page, including 'Mess Round', 'The Daily Source for International Investors', and 'Floating-Rate'.

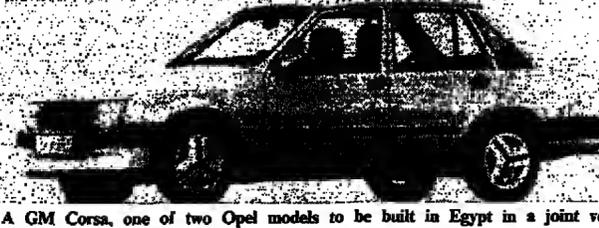
BUSINESS ROUNDUP

Deutsche Bank Profit Rises 54%

By Warren Gerler
Frankfurt — Deutsche Bank AG, boosted by an extraordinary gain from its placement of the former Flick industrial conglomerate...

DM, or one-half the full 1985 result. Like most major West German commercial banks, Deutsche does not provide a direct year-to-year comparison figure in its interim reports...

Company executives remain mute about the size of capital gain from the Flick sale, but industry sources put the figure at about 1.4 billion DM. In January, Deutsche purchased the entire Flick conglomerate for 5 billion DM...



A GM Corsa, one of two Opel models to be built in Egypt in a joint venture.

BUSINESS PEOPLE

Bendel's Stutz Resigns As Store's President

New York Times Service
NEW YORK — Geraldine Stutz, who pioneered a distinctive high fashion for the "small, big-city woman," resigned this week as president of Hemi Bendel Inc. She said she will pursue some "tempting" offers...

1980s, however, larger department stores began to grab some of Bendel's designers by offering more lucrative contracts. General Electric Co., Fairfield, Connecticut, elected John D. Opie senior vice president and group executive of its lighting-business division...

GM Venture Breaks New Path in Egypt

Pact Marks Shift From the Usual Foreign Role
By Olfat Tohamy
International Herald Tribune
CAIRO — Foreign investment in Egypt is making a leap with a project sponsored by General Motors Corp. The project is a joint venture between GM, the world's biggest car maker, and the state-owned Egyptian automaker, El Nasr Automotive Manufacturing Co.



William C. Mott Mohammed Abdel-Wahhab

maker put its weight behind the establishment of feeder industries to be integrated into its North African and European operations. The arrangement establishes 24 joint ventures between GM subsidiaries or affiliates and Egyptian entrepreneurs...

tomaking arrangement with Fiat SpA of Italy. But the 26-year-old Nasr-Fiat venture, which permitted Nasr to assemble and make some parts for Fiat car models in Egypt, will continue to produce Fiat trucks and buses.

Siemens Group Net Fell 6.2% In First 9 Months of the Year

MUNICH — Siemens AG, the giant West German electrical group, said Thursday that its overall profit fell 6.2 percent in the first nine months of the year. The group blamed the results on a decline in orders for nuclear power plants and on the lower U.S. dollar...

Pact Marks Shift From the Usual Foreign Role

By Olfat Tohamy
International Herald Tribune
CAIRO — Foreign investment in Egypt is making a leap with a project sponsored by General Motors Corp. The project is a joint venture between GM, the world's biggest car maker, and the state-owned Egyptian automaker, El Nasr Automotive Manufacturing Co.

Dragonair Loses Bid For European Routes

HONG KONG — Dragonair, the Hong Kong airline, was denied Thursday a license to fly to London, Manchester and Amsterdam by the Air Transport Licensing Authority. The authority gave no reason for its rejection but Dragonair's application had earlier been opposed by Cathay Pacific, British Airways and British Caledonian Airways Ltd., which serve the Hong Kong-London route...

Petrofina Posts Increase in Net

BRUSSELS — Petrofina SA, the Belgian oil company, reported Thursday that its net profit rose 8 percent to 9.46 billion francs (\$220 million) in the first half of this year, from 8.73 billion francs a year earlier. Improvements in the distribution, refining and petrochemical sectors compensated Petrofina for the sharp fall in crude oil prices during the period...

Dart Withdraws From Fight for Safeway, Joins Rival Bid

United Press International
SAN FRANCISCO — Dart Group Corp. said Thursday that it has withdrawn from the battle to take over Safeway Stores Inc., the largest food chain in the United States, and will join in a friendly takeover with Kohlberg Kravis Roberts & Co. Kohlberg Kravis Roberts, which was working on a \$4.2-billion buyout program with Safeway, said it had signed an agreement in which Safeway will terminate its offer to acquire Safeway shares and will obtain 20 percent of SSI Holdings Corp. SSI was set up by Kohlberg Kravis Roberts & Co. in cooperation with current Safeway management to purchase the food chain in a buyout after Dart offered \$3.9 billion for the chain...

Wheat: U.S. Seeks Exports

(Continued from first finance page)
group through the United States. Nonetheless, there are some bright signs for the future in the latest Agriculture Department forecast, which shows wheat sales up 19 percent, corn up 13 percent, soybeans up 74 percent and cotton up 227 percent. Even so, farm-state lawmakers are intensifying their pressure on the Reagan administration to increase programs to boost agricultural exports. Bob Dole, Senate Majority Leader and a Republican from Kansas, has called for broader export-promotion programs. Mr. Dole also favors offering subsidized grain sales to the Soviet Union, which many in the Reagan administration oppose. But the Russians, America's largest wheat customers, backed off purchases when they found they were excluded from the administration's "export enhancement program" to win markets back from the European Community. There were expectations in America's Farm Belt that the April nuclear disaster at Chernobyl would lead to increased Soviet grain purchases, and wheat futures trading at the Kansas City Board of Trade registered sharp gains over three days. But the market quickly dropped back. With Soviet grain purchases enmeshed in politics and apparently on the downswing this year, U.S. wheat producers are looking to secondary markets such as Bangladesh. Bangladesh needs in excess of 16 million tons of rice and wheat to feed its more than 100 million people. Most of the 1.1 million tons of wheat it imported last year was food aid, including 351,000 tons from the United States. But Bangladesh bought 90,000 tons of wheat, all from the United States, on the commercial market, a drop from the 645,000 tons purchased the year before. U.S. farmers sold the bulk of that wheat, 461,000 tons, making Bangladesh the ninth-largest purchaser of American wheat in 1984. "They have the potential to be a major buyer," said Jim Bair, a marketing specialist with the Kansas Wheat Commission, who escorted Mr. Choudhury and F. H. Khan, director of procurement in Bangladesh's Ministry of Food, through

New Zealand Economy Slowed in Latest Year

Agency France-Press
WELLINGTON — New Zealand's growth rate slowed to 0.9 percent in the year ending March, a fall of more than 6 percent from the previous year, the government announced. A statistician, Steve Kuzmich, said the figures showed that "a significant retrenchment" of the economy had occurred. Egyptian officials ended an au-

Dart Withdraws From Fight for Safeway, Joins Rival Bid

United Press International
SAN FRANCISCO — Dart Group Corp. said Thursday that it has withdrawn from the battle to take over Safeway Stores Inc., the largest food chain in the United States, and will join in a friendly takeover with Kohlberg Kravis Roberts & Co. Kohlberg Kravis Roberts, which was working on a \$4.2-billion buyout program with Safeway, said it had signed an agreement in which Safeway will terminate its offer to acquire Safeway shares and will obtain 20 percent of SSI Holdings Corp. SSI was set up by Kohlberg Kravis Roberts & Co. in cooperation with current Safeway management to purchase the food chain in a buyout after Dart offered \$3.9 billion for the chain. In a buyout, a group of investors borrows money to take a company private and repays the loan from profits of the new company. Dart said it is holding discussions with Kohlberg Kravis Roberts about the purchase of several divisions of Safeway Stores but said they have not reached agreements on the matter. The Kohlberg Kravis Roberts announcement said Dart will take "certain assets" of the company for part of its investment if an agreement can be reached. A spokesman for Kohlberg Kravis Roberts said: "We will be working with Safeway management and employees to effect a smooth trans-

Wheat: U.S. Seeks Exports

(Continued from first finance page)
group through the United States. Nonetheless, there are some bright signs for the future in the latest Agriculture Department forecast, which shows wheat sales up 19 percent, corn up 13 percent, soybeans up 74 percent and cotton up 227 percent. Even so, farm-state lawmakers are intensifying their pressure on the Reagan administration to increase programs to boost agricultural exports. Bob Dole, Senate Majority Leader and a Republican from Kansas, has called for broader export-promotion programs. Mr. Dole also favors offering subsidized grain sales to the Soviet Union, which many in the Reagan administration oppose. But the Russians, America's largest wheat customers, backed off purchases when they found they were excluded from the administration's "export enhancement program" to win markets back from the European Community. There were expectations in America's Farm Belt that the April nuclear disaster at Chernobyl would lead to increased Soviet grain purchases, and wheat futures trading at the Kansas City Board of Trade registered sharp gains over three days. But the market quickly dropped back. With Soviet grain purchases enmeshed in politics and apparently on the downswing this year, U.S. wheat producers are looking to secondary markets such as Bangladesh. Bangladesh needs in excess of 16 million tons of rice and wheat to feed its more than 100 million people. Most of the 1.1 million tons of wheat it imported last year was food aid, including 351,000 tons from the United States. But Bangladesh bought 90,000 tons of wheat, all from the United States, on the commercial market, a drop from the 645,000 tons purchased the year before. U.S. farmers sold the bulk of that wheat, 461,000 tons, making Bangladesh the ninth-largest purchaser of American wheat in 1984. "They have the potential to be a major buyer," said Jim Bair, a marketing specialist with the Kansas Wheat Commission, who escorted Mr. Choudhury and F. H. Khan, director of procurement in Bangladesh's Ministry of Food, through

Floating-Rate Notes

Table with columns for Floating-Rate Notes, July 31, and various currency denominations like Dollars and Pounds Sterling. It lists various bank notes with their denominations and issue dates.

Deutsche Marks

Table of Deutsche Marks exchange rates and financial data, organized by Issuer/Market, Currency Next Bid, and Ask.

Japanese Yen

Table of Japanese Yen exchange rates and financial data, organized by Issuer/Market, Currency Next Bid, and Ask.

OTTO International Finance N.V. Curaçao, Netherlands Antilles

Advertisement for OTTO International Finance N.V. featuring DM 200,000,000 Zero-Coupon Bearer Bonds of 1986/2001. Includes offering price, repayment schedule, and listing agents like Deutsche Bank and Algemene Bank Nederland N.V.

Small vertical text on the far left edge of the page, possibly a page number or additional page reference.

CURRENCY MARKETS

Dollar Tumbles on Economic Data

NEW YORK — The dollar plunged to a record low against the Deutsche mark in European and U.S. trading Thursday as markets reacted violently to continuing poor U.S. economic prospects.

Table titled 'London Dollar Rates' showing exchange rates for Deutsche mark, Swiss franc, and French franc.

This sense was reinforced by Thursday's report of a 0.3-percent decline in U.S. factory orders for June, sharply below market forecasts, they said.

IBM: Clones Threaten PC's Future

(Continued from first finance page) service information is hard to find. Still, one corporate buyer who switched to clones from IBM reports that breakdawns are no more frequent.

M-1 Reported Up By \$4.4 Billion

NEW YORK — The narrowest measure of the U.S. money supply, known as M-1, increased by \$4.4 billion to a seasonally adjusted \$677.7 billion on the week ended July 21, the Federal Reserve reported on Thursday.

TAIWAN: U.S. Seeks Trade Moves

(Continued from first finance page) exports to the United States, worth some \$3.2 billion, are currently covered by the system. The Commerce Department announced Wednesday that in the first half of this year Taiwan replaced Mexico as the fourth largest exporter to the United States, after Japan, Canada and West Germany.

THE EUROMARKETS

Xerox and Danish Issues Are Stars

By Christopher Pizzey

LONDON — The dollar-sterling trade ended unchanged to slightly firmer Thursday. However, dealers said that attention was focused on the primary market, which saw a big \$300-million bond for Denmark and two separate issues for Xerox Credit Corp. and its parent, Xerox Corp.

A syndicate manager said that the issues were priced with the downgrading in mind, and he added that the reception for the bonds had been good. The four-year bonds ended at a discount of 1% against the 1% total fee.

Secondary market activity in the dollar-sterling sector was dull, with dealers noting that the publication of the June U.S. Index of Leading Economic Indicators was delayed until Friday.

France Leads Veto of GATT Talks

GENEVA — Preparatory talks for a summit of the 91 members of the General Agreement on Tariffs and Trade ended Thursday in general disagreement as France led its European partners in a veto of a working text supported by more than a quarter of the GATT members.

The EC veto means that three texts will be on the table at the Punta del Este. The Swiss-Colombian text backed by 25 countries.

That agreement says that participants in the GATT round should make agricultural commerce more competitive by reducing subsidies.

Company Results

Table titled 'Company Results' showing revenue and profits for various companies including Canadian, Japanese, and others.

Advertisement for Thursday's OTC Prices, listing NASDAQ prices for various stocks.

Large table of stock market data including company names, stock prices, and financial metrics.

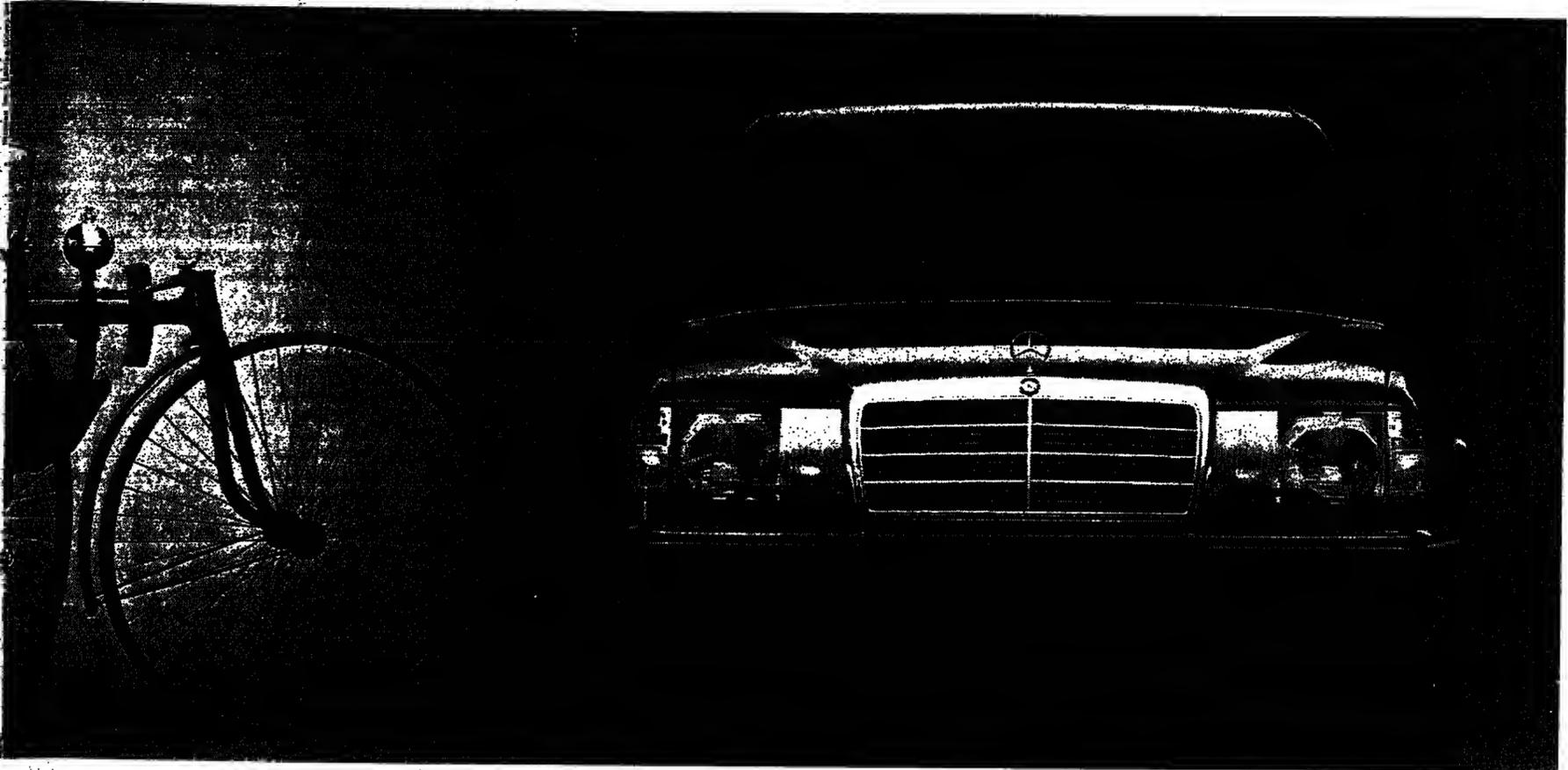
Handwritten signature 'J.P. ...' at the bottom of the page.

s Are Stars

Secondary market... dollar-straight... dealers... of the June U.S. Index... Economic Indicators... until Friday.  
Dealers in London... the index to show a... percent or 0.4 percent...  
Activity in the... sector was also... day's \$600-million... for Lloyds Bank Plc... to trade at around... above the 100.10...  
Nippon Kangyo... final terms on the... for Royal Co. and... size of the issue from... \$70 million.  
The coupon was... rated 2 1/2 percent... had no noticeable... secondary market... steady at a premium of 1/8...

TT Talks

That agreement... parts in the GATT... make agricultural... competitive by...  
Officials... had rejected... to show its... resist Reagan... sure for a... EC's protection... which keeps out... subsidizes European...  
While France's... cloud over the... ing, officials say... emed by a critical... U.S. Congress. This... gress will decide... ride President... veto of protection... non.  
Many trade... vote to override... many developing... out of the trade...  
The Reagan... a trade round... fight against... sists that the... cover agriculture... areas." such as...



# Accounts of a Century.

For Daimler-Benz, 1985 was a year of gratifying results and important decisions for the future of the company.

Just the sort of success one likes to see in a century year.

Gottlieb Daimler and Karl Benz, our founding fathers who gave their names to our company and the motor vehicle to the world, would have approved wholeheartedly.

However, this success didn't just happen. It is the result of years of hard work.

Last year was an exceptionally good one for our cars, with very high demand. In the commercial vehicle markets we were able to improve our position and initiate an upward trend again.

### New Corporate Dimensions.

A century of experience in the automotive industry provides a sound basis on which to face new challenges.

The acquisition of all shares of Motoren- und Turbinen-Union (MTU) and of majority shareholdings in Dornier and AEG, has given the company access to additional high-tech-

DAIMLER-BENZ-GROUP		
	1985	Change in %
Sales (in millions of DM)	52,409	+ 20.5
Domestic	18,709	+ 27.4
Foreign	33,700	+ 16.9
Cars	27,469	+ 18.2
Commercial Vehicles	19,582	+ 6.6
Added Group Activities	3,204	-
Others	2,154	+ 13.8
Car Production (units)	541,039	+ 13.1
Commercial Vehicle Production (units)	220,213	+ 4.4
Number of Employees (at year end)	231,077	+ 15.6
Domestic	186,652	+ 18.1
Foreign	44,425	+ 6.2
Personnel Expenses (in millions of DM)	13,657	+ 17.8
Fixed and Financial Assets	10,209	+ 24.1
Investments	5,643	+ 57.1
Depreciation Expenses	3,275	+ 15.8
Cash	11,613	+ 21.6
Stockholder's Equity	9,769	+ 14.5
Basic Share Capital	1,699	± 0
Taxes on Income and on Net Assets	4,341	+ 43.4
Net Income	1,682	+ 52.4

nology fields of activity and thus to markets with great growth potential.

While we will continue to concentrate on the development, production and sale of high-quality automobiles, the focus of our interest will also be in the areas of aerospace and electronics, including information, communication and automation technologies - with a vast potential of synergistic effects.

### New Growth Potential in High-Tech.

This "qualitative move" into new areas of technology has the aim of opening up new, long-term perspectives for our company and of safeguarding its future.

In the long term, we consider the creative integration of different technologies as an opportunity for technical progress, economic growth and thus the creation of new jobs.

We are confident that this is the way to strengthen our position in the markets of the world and to make this new chapter of our history just as successful as the first.





SPORTS

Who Threw Gopher Ball? Not Ditmar

CLEVELAND — Art Ditmar, a former pitcher for the New York Yankees, has filed a \$3.5-million suit against Anheuser-Busch Inc., claiming a beer commercial incorrectly said he gave up the winning home run in the 1960 World Series.



POOLSIDE FAREWELL — Swimmers sang Auld Lang Syne as the swimming competition of the Commonwealth Games ended Wednesday night in Edinburgh. Alex Baumann of Canada won three gold medals.

Disputed Play Means Defeat, Ejection for Boston's Clemens

CHICAGO — Roger Clemens lost for the first time on the road this year and got kicked out of his first major-league game Wednesday night when the Chicago White Sox trounced the Boston Red Sox, 7-2.

Clemens, 17-3, who has the most victories in the major leagues, was ejected after bumping first base umpire Greg Kosc on a disputed play with two out in the fifth.

Rangers 5, Orioles 3: In Arlington, Texas, Don Slaught hit a two-run homer with one out in the 11th inning to give the Rangers their victory.

Life in the Minors: Amid the Norman Rockwell Scenes, Young Men Dream of Glory

By David Falkner, New York Times Service. PITTSFIELD, Massachusetts — Every evening at Wabconah Park, home of the Eastern League's Pittsfield Cubs, Little Leaguers take positions on the field alongside their Cub counterparts for the playing of the national anthem.

Bag Night, Dash for Cash, Peter Pan Painter's Cap Night, etc.). Some of these promotions can be risky. Last year, the Cubs ran a gig called "Famous Racing Ostriches." Two giant birds were mounted at the right-field foul pole and ran toward the finish line at home plate.

lack of money (player salaries at Double A average between \$1,500 and \$1,500 a month). The small-town charms that attract fans to these games drop away for those struggling to get on Main Street, as Sherwood Anderson once observed, is designed to get you out of town.



The sun sets behind center field at Wabconah Park in Pittsfield, Massachusetts.

SCOREBOARD

Table with columns for 'Wednesday Line Scores' and 'Major League Standings'. It lists various baseball games and the current records of major league teams.

Table titled 'Transition' listing baseball players and their new teams. It includes names like Matt Williams and other players moving between leagues.



Pedro Guerrero ... back in action.

VANTAGE POINT/ Scott Ostler A Silly League That Lived to Sue Faces Extinction

LOS ANGELES — The United States Football League has scored a moral and legal victory over the National Football League. Mathematically, it was a different story. The USFL had been asking for \$1.69 billion in damages against the NFL.

And although the league provided employment for hundreds of football players, it also broke the hearts of thousands of others who were sucked into all-comers tryout camps that were really little more than publicity gimmicks.

Advertisement for Blancpain watches. It features a detailed image of a Blancpain watch with a dark dial and leather strap. Text includes 'BLANCPAIN', 'Since 1735', and 'GOLAY FILS & STAHL'.

Handwritten signature 'Joviciolisa' in a rectangular box.

